

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

BOARD OF DIRECTORS

MINUTES OF Monday, June 28, 2010 MEETING

Board Members Present: John Rupp, Chair; Edward Field; Jerome Williams; Stephen Durkee; Michael Lewis; William Kennedy; and Rochelle Lee.

Absent: Thomas Deller

Also Present: Alfred J. Moscola (General Manager); Susan DeBlasio Leach (Outside General Counsel); Andrew Prescott (Labor Counsel); Henry Kinch; Maureen Neira; Mark Therrien; Ellen Mandly and other members of RIPTA's staff and members of the public whose names are on the sign-in sheet.

Agenda Item 1: Approval of the Minutes of May 24, 2010 meeting

Mr. Rupp called the meeting to order at 1:36 and asked if the Board members had an opportunity to review the minutes of the meeting held May 24, 2010. The members indicated they had asked for a minor change on page 1. Mr. Kennedy made a motion to approve the minutes of the meeting with the change on page 1. Mr. Field seconded the motion and the minutes of the meeting were

unanimously approved.

Agenda Item 2: General Manager's Report

Mr. Moscola confirmed that the ribbon cutting for the new paratransit building will be July 26th at 11:00 a.m. and many important elected officials are scheduled to attend including Senator Reed, Senator Whitehouse, Congressman Langevin, Governor Carcieri, Mayor Ciccilline and others. In addition there will be state and local leaders and officials from the Federal Transit Authority. Mr. Rupp will act as master of ceremonies and the event will be open to RIPTA employees.

Mr. Moscola discussed fuel prices which remain high preventing him from locking in at new rate. The current contract at \$2.36 a gallon expires on June 30th. The budgeted price for fuel is \$2.60 a gallon and the current lock in price is \$2.80. Mr. Moscola and staff will continue to monitor daily.

He discussed the new hybrid buses and said a pilot will arrive the last week of July and all ten by November 30th. He hopes the hybrids will contribute to fuel savings. Mr. Rupp asked that to have the pilot trolley at the ribbon cutting if it arrives in time.

Next Mr. Moscola discussed the upcoming public hearings on fare increases and service modifications and listed the dates, times and

locations of each hearing. He discussed the format for the hearings and the RIPTA staff who will be assisting and said he will report back to the Board at the July meeting.

Mr. Rupp asked Ms. Mandly to email the Board members the hearing dates, times and locations.

Mark Therrien passed out two documents and discussed the first which said RIPTA service cuts and reductions are based on route rankings from December 2009 and fall into four categories: 1) low performing routes, 2) Sunday 10:00 p.m. shutdown, 3) reduced holiday schedule, 4) other savings. Mr. Therrien read from the document and discussed each of the four categories in great detail.

The second document Mr. Therrien disseminated was a chart showing specific route names and locations, ranking, passengers per hour and the annual savings RIPTA hopes to achieve with the service reduction. He discussed many of the routes in detail and gave the reasoning for the reduction and then expounded on the general cuts on Sunday and Holidays. He said these are not easy cuts to make because many of the routes are good performers and productive routes.

Mr. Kennedy asked if the route to Zambarano Hospital had been cut and Mr. Therrien said it had not because it was affected the last time and he felt it was not right to cut in that area again. Mr. Durkee asked why he cut service early on Sunday and Mr. Therrien said earlier shut

downs have already been proposed as part of the 5-year plan so he just pushed up the implementation.

Mr. Therrien answered additional questions and finished by saying he expects the savings to total \$757,000. Mr. Williams asked for clarification on RIPTA holiday service and Mr. Therrien read the holidays in bold face on page two and the changes that will be made. Mr. Rupp asked Mr. Therrien to compile a comparative statistic of performance and Mr. Therrien said he would.

Mr. Rupp noted that RIPTA would need to receive an additional quarter cent more to avoid these cuts. Mr. Field suggested all Board members try to attend the public hearings and asked that they email Ms. Mandly if they are able to attend.

Mr. Williams asked Mr. Moscola if he sets the stage for fiscal constraints. Mr. Moscola replied that he does explain why we have to make the modifications and raise fares and the effects of the cost of fuel on RIPTA.

Ms. Lee suggested plenty of time for questions from the public and Mr. Moscola said staff always stays to answer questions. She also asked that elected officials be notified of the hearings. Mr. Rupp suggested the CTC be invited and Mr. Field said to post the dates and locations on the RIPTA website.

Mr. Rupp reminded staff that he has still not received the simple chart he requested outlining rising gas prices and declining gas revenues leading to the deficit. He asked that the fare increase now be factored into that chart.

Next Ms. Neira addressed the paratransit operations center financial summary requested by Mr. Williams and read the figures associated with each of the major categories such as architecture and engineering, construction, environmental/ construction administration and contingency. She said \$34.9 million has been paid to date and \$2.6 million remains to be paid in change orders which will leave a little over \$1 million in contingency.

Mr. Williams asked if there were any unknown change orders coming and Ms. Neira said it was possible and the figure is an estimate. Mr. Moscola said there were no hidden mysteries, only minor adjustments and we are still within budget and he hopes to have few \$100,000 remaining in contingency funds. Mr. Williams asked if everything was imbedded in the one-page sheet and Ms. Neira said it was.

Mr. Williams said he heard \$1 million and a few hundred thousand remains and asked Mr. Moscola to reiterate and clarify his remarks. Ms. Lee took issue with this request and Mr. Rupp commented that there was a \$600,000 discrepancy. Ms. Lee asked if we could keep the remaining funds. Ms. Neira said possibly, but there are

restrictions. Ms. Lee asked Ms. Neira to make a list of uses for the funds and Mr. Field asked if she would check into using the funds for ATMS system extras.

Mr. Lee asked if the building had a warranty. Mr. Durkee said one-year is usually standard and Mr. Mencarini agreed and said he would look into this. Mr. Moscola added that the building equipment and subsystems had varying warranties. Ms. Leach said some warranties commence upon receipt of delivery and to check this.

Agenda Item 3: MPA Contract Senior Citizen Van for the Town of Johnston

Mr. Therrien discussed the award of a contract to Hogle Bus Company for the purchase of one senior citizen van for the town of Johnston at a cost of \$74,715. He explained that Senator Reed obtained a congressional appropriation to fund the purchase of the van. The funding will come under FTA section 5310 grants and these grants will pass through RIPTA as the designated grant recipient of funds for the State. Johnston will use the vehicles for their senior citizen transportation.

Mr. Therrien remarked that Mayor Polisena of Johnston had been scheduled to attend today's meeting but could not and sent Anthony Zompa, Executive Director of the Johnston Senior Center on his behalf. Mr. Mencarini explained congressional appropriation section

5310 grants and the reasoning for obtaining partial assignability of the contract from Minnesota.

Following a brief discussion Mr. Field made a motion that the contract in the amount of \$74,715 be awarded to Hoglund Bus Company as recommended. Mr. Durkee seconded the motion and it passed unanimously.

Agenda Item 4: Finance Committee Report

Mr. Field reported that the Finance Committee met on June 11th and covered there items, the FY 2010 – FY 2016 capital budget, the FY 2010 operating budget and the ferry. Mr. Field asked Ms. Neira to give the capital budget to the full Board for review and said he asked staff to get additional information whether RIPTA should store, or sell the ferry dock it owns.

Mr. Field then asked that an ATMS report be given each month since the clerk of the work building report has ended.

Agenda Item 5: Strategic Planning Committee Report

Mr. Field gave the Strategic Planning Committee report saying they met on June 17th and discussed a five point list of priorities that has been developed by the Committee and staff.

He reported that the Committee is going on hiatus for July and August and staff has been tasked with developing a final draft of recommendations and coming back to the Committee with same in September. He discussed the ATMS system and additional items needed to assist with better passenger information and reporting.

Mr. Field said the Committee is working on long term funding options and how to define and address being the State's mobility manager. Mr. Durkee said this will require a lot of collaboration with RIDOT. Mr. Field said RIDOT will be the asset manager and RIPTA the operating manager. Ms. Lee fiercely opposed this.

Mr. Lewis noted that RIDOT has the materials management and engineering expertise. Ms. Lee said she felt decisions were being made behind her back. Mr. Durkee responded that at this point it is simply a concept. Mr. Lewis noted RIPTA and RIDOT have worked well together thus far on the vehicle maintenance program.

Mr. Kennedy said he feels the Board has begun overstepping its bounds and should not be involved with future planning. Ms. Lee said the Strategic Planning Committee is forecasting too far out and she cares more about what will happen tomorrow and next year. Mr. Williams responded that it is the responsibility of the Board of Directors to plan for the next two to three years, and to strategically plan for further initiatives in the future such as rail. He stressed how important it is to plan now and use our resources wisely. Ms. Lee

and Mr. Kennedy disagreed.

Mr. Rupp asked Ms. Lee if she would be agreeable to working with him to develop a 12 month transition plan. She said she would. Mr. Rupp asked Ms. Mandly to email the Strategic Planning Committee meeting documents for the last three months to him, Ms. Lee and Mr. Kennedy. Ms. Mandly said she would send the documents.

Mr. Field reiterated that the legislature made RIPTA the State mobility manager and we must define what this means. Mr. Rupp said it shows poor management to go from crisis to crisis which is why more strategic planning is needed.

Agenda Item 6: Special Board Meeting Update

Mr. Mencarini reported on the special Board meeting held June 2nd to complete the General Manager Consultant company procurement process and meet personal from the top two firms as chosen by the Management Committee, Gilbert Tweed International and Krauthamer Associates, Inc.

Both firms sent key personal to attend the meeting and give oral presentations on their background, experience, methods and answered questions from the Board and provided additional information as requested. Following each presentation the Board was given time to question the representatives.

Mr. Mencarini gave some of the highlights from the presentation noting that Gregg Moser from Krauthamer Associates, Inc. stressed their expertise in the area of succession planning and Stephanie Pinson from Gilbert Tweed focused on their many years in the business and strong focus on diversity of candidates. Ms. Pinson also went into great detail regarding her close and long involvement with APTA. Mr. Mencarini discussed the firms and their search methods and noted they were very evenly matched in most aspects.

Mr. Mencarini reported that the Board queried each of the firms after their presentations and then held another discussion amongst themselves after comparing the strengths of each firm vis a vis RIPTA's needs. Following this discussion the Board chose to award the contract to Gilbert Tweed International. Mr. Mencarini said the procurement process is complete and the contract has since been signed.

Mr. Mencarini said the selection committee consisting of Messrs Rupp, Durkee and Williams will begin working with Gilbert Tweed and report back to the Board.

Ms. Lee said the firm seemed to have more experience in recruiting candidates with rail experience. Mr. Mencarini said both firms have extensive experience recruiting all types of transit professionals. Ms. Lee asked how long the General Manager Selection process would

take and Mr. Mencarini said about 12 weeks. She asked if the job description had been created and Mr. Rupp said the Committee had discussed it via conference call and it was close to being finalized for recruiting purposes. Ms. Lee said she wanted the job description and much cross talk ensued and following this Mr. Rupp said he would give Ms. Lee a copy of the draft.

Steve Farrell interjected from the audience asking if the June 2nd meeting minutes were available and Ms. Mandly said both sets of June meeting minutes would be available at the July meeting.

Agenda Item 7: ARRA Program Upgrade

Mark Therrien addressed the Board with the ARRA Program update and said the sheet given to the Board was the same one given at recent meetings and some of it is outdated. He said the project list will be updated for next month.

Agenda Item 8: Hybrid Bus Design/Colors

Mr. Moscola reported he and Mr. Durkee met the previous week to discuss the basic design plan for the new hybrid buses. Mr. Moscola described the vehicle and discussed some of the specifications and then talked about a “slip in” frame he designed to encircle the vehicle and said that by applying this slip in frame to the vehicles he will be able to “slip in” different colored bands to the frames to differentiate

various routes. Mr. Moscola had the body shop design a prototype of the frame and discussed the materials and dimensions of same.

Mr. Durkee commented that the Metro Transit Study made a very strong recommendation that buses should be clearly branded to make the easily recognizable. He added that our shelters and literature should have branding consisted with the buses too. He said this would be of great benefit to our customers and we should not miss the opportunity we have now.

Ms. Lee took issue with Mr. Durkee's remarks and said he was micromanaging the process. Mr. Durkee said he was offering his assistance because the study recommendation for a branding color scheme was not being fully implemented and he feels a bigger statement than the frame is needed. Mr. Moscola said he would consider this when proceeding with his design of the bus. Mr. Lewis remarked that the consensus of the Board is needed on the branding solution.

Agenda Item 9: Rhode Island Fast Ferry Presentation

Agenda Item 13: Public Comment

Mr. Field introduced Charlie Donadio President of the Rhode Island Fast Ferry and said he invited him to today's meeting to give some insights into ferry operations. Mr. Donadio said he was contact by Mr. Field to provide some insight into the feasibility of a ferry

operation. Mr. Field noted that Mr. Donadio had participated in the last ferry RFP process and asked for his opinion on why our ferry service did not work as a commuter ferry service.

Mr. Donadio began by speaking about his experience in the ferry industry in general and his experience and knowledge of the RIPTA ferry in particular. He said that he has been involved with ferry operations in New York and New Jersey and neither these nor any other ferries he knows of are subsidized; they are all run by private companies. He said he did not end up submitting a bid when he participated in the RIPTA ferry RFP process because it would not have been profitable. He said when the ferry began it made sense to utilize the federal funds available, but the ferry quickly became a tourist ferry and even with the subsidy the business model just didn't work. He said as a private tax payer, he did not support the ferry.

Mr. Donadio spoke at great length about impediments to operating a ferry in Rhode Island such as population density, weather, and high cost to operate. He then spoke about commuter ferries in New York and Boston and the differences that allow those operations to be viable. He finished by saying any ferry service should be private and RIPTA would be better off offering premium bus service to Newport every hour.

Mr. Rupp asked if there was any public comment and recognized a woman in the audience who said long term strategic planning is

needed to study this issue and possibly the ferry would work if it was operated in the upper bay – Bristol to Providence. She said tourism is a big part of the economy and she urged the Board to consider a different type of ferry service.

Mr. Donadio countered that as the Port of Providence grows a water taxi service might be might be viable, but again said RIPTA should not be in the tourist business. Mr. Lewis asked the density of population needed to make a water taxi viable and Mr. Donadio said a much larger density of higher income people are needed.

David Reilly spoke next about the ferries in Portland, Maine and Burlington, Vermont and the ferry out of Salem, MA which is a commuter ferry to Boston. He said these ferries are successful and RIPTA should study their model ferry plan to see why and then determine if more federal funding is available. He said RIPTA is the Ocean State and we should have a ferry. Mr. Donadio was aware of these operations and said they are heavily subsidized.

Bob Cox who said he runs a commuter ferry service in Pawtucket spoke next and supported Mr. Riley's comments.

Seth Handy spoke next and at length and much cross talk ensued between him and Mr. Donadio regarding a ferry in Portsmouth, RI and the possibility of a ferry on the upper bay.

Following these remarks Mr. Lewis stated that it is his opinion that this issue should be vetted by Statewide Planning with input from RIPTA, RIDOT and EDC. Mr. Rupp said called to an end to ferry comments and asked if there was any other public comment and recognized Steve Farrell, President of Amalgamated Transit Union.

Mr. Farrell spoke out against the service cuts outlined earlier saying they are very steep and will affect taxpayers, commuters and the Sunday and holiday cuts will likely effect people who work weekends and odd hours, such as hospital employees. Mr. Rupp agreed, but said we do not have enough money to continue the service. He blamed a lack of vision on RIPTA's part and the gas tax funding issue.

Mr. Farrell said these cuts will affect lower income Rhode Islanders already hit hard by the economy and recent flooding and he feels it is incumbent upon the transit authority to keep transit stable. Mr. Rupp suggested Mr. Farrell make additional comments on this topic at the public hearings and Mr. Farrell referenced senate bill 3412 and said the Board should write to Senator Reed and the White House to request more operating funds. Mr. Rupp asked Mr. Farrell to give the Board a copy of the bill and they would take it under advisement.

Agenda Item 14: Executive Session Pursuant to 42-46-5(a)(2) to Discuss Collective Bargaining and Prospective Litigation Matters

Mr. Rupp asked for a motion to convene an executive session as noticed on the agenda under 42-46-5(a)(2) to discuss Collective Bargaining and Prospective Litigation matters. Mr. Field read the law and made the motion and a roll call vote was taken and the motion to convene to executive session under 42-46-5(a)(2) passed unanimously.

Following the Board's return to open session Mr. Williams made a motion to seal the minutes of the executive session, and Ms. Lee seconded the motion, and it passed unanimously.

Mr. Durkee and Mr. Lewis left the meeting.

Agenda Item 10: IFP 10-29 Printing for Marketing Department

Mr. Mencarini discussed the procurement for printing services for the RIPTA's Marketing Department and went over the particulars of this procurement which was tabled last month.

Following a brief discussion Mr. Field made the motion to approve the procurement as recommended by staff. Ms. Lee, Mr. Rupp and Mr. Kennedy supported the motion. Mr. Williams did not support the motion. The award of a contract to Cogen's Inc., of Providence to supply and deliver printed materials, primarily for bus schedules at an annual cost of approximately \$250,000 was approved by a vote of four to one.

Agenda Item 11: IFP 10-23 Supervisor's Vans

Mike McGrane read the details of the staff summary for supervisor's vans and said staff recommends an award of a contract to Quality Van Sales, Inc. of Norton to supply and deliver three supervisor vans to the Authority at a total cost of \$128,248.

Mr. Moscola described the vans and answered questions and then Mr. Kennedy made a motion that the award of the contract to Quality Van Sales be approved as recommended by staff. Mr. Field seconded the motion and it passed unanimously.

Agenda Item 12: IFP 10-33 Ride Parking Lot Improvements

Mr. McGrane said the Board is requested to make an award of a contract to JH Lynch and Sons of Cumberland, RI to make improvements to the parking lot located behind the Ride Building at the Elmwood Facility. The cost of the contract is \$1,185,095. The contract also includes an additional award of ten percent construction contingency of \$118,510.

Mr. Field questioned why a simple project such as this should have a contingency and Ms. Lee asked for more details on the work to be performed. Mr. McGrane responded that there is some uncertainty as to what could be found underground at the site. Mr. Moscola said

this project has been needed for 10 years and people are tripping and falling in the old parking lot. Mr. McGrane said the project also includes refurbishing and upgrading of the existing Ride facility, removal and disposal of existing fencing, gates and concrete barriers and the installation of new median parries.

Following this discussion Mr. Kennedy made a motion to approve the procurement as recommended by staff and Ms. Lee seconded the motion. Mr. Rupp and Mr. Williams supported the motion. Mr. Field did not support the motion. The award of a contact to JH Lynch and Sons at a cost of \$1,185,095 was approved by a vote of four to one.

Agenda Item 15: Adjournment

A motion to adjourn was made by Mr. Williams. Ms. Lee seconded the motion and it passed unanimously.

Respectfully submitted,

Ellen M. Mandly

Recording Secretary